"AN ANALYTICAL STUDY ON FINANCIAL HABITS AND INVESTMENT BEHAVIOUR OF WORKING WOMEN WITH SPECIAL REFERENCE TO MUMBAI METROPOLITAN REGION."

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1. **Title:**

   “AN ANALYTICAL STUDY ON FINANCIAL HABITS AND INVESTMENT BEHAVIOUR OF WORKING WOMEN WITH SPECIAL REFERENCE TO MUMBAI METROPOLITAN REGION.”

2. **Introduction:**

   In today’s modern world, men and women both are equally focused on building their careers, resulting in more women entering the professional sphere than ever before. As the number of working women is increasing, their contribution in expanding household incomes, stimulating the national income have also increased and thus reducing the dependence on social welfare.

   As soon as an individual starts earning, he must effectively save and invest a part of personal income into different avenues to build wealth, achieve personal future goals, ensuring financial stability not only during working lives but also after retirement. This makes it a requisite to improve the level of financial literacy as it can help to make informed and better investment decisions.

   The field of investment is more dynamic and challenging than ever before. Many events occurring across the world can significantly change the values of specific asset classes.The choice of assets to choose from have increased in the recent times and the amount of information available to the investors is not limited to a one or two sources. The growing rate of inflation has made it all the more necessary to make wise investment decisions. Additionally, investment is also viewed as a tax saving mechanism by many.

   It is very important to understand the different elements of investment – risk, return, reward and time frame. But if any individual finds it difficult to manage it solely, the resort of seeking a professional financial advice is available, in fact it is recommended as every individuals financial goals are diverse and needs tailor made planning. Financial plans are prepared by professionals by taking a comprehensive look at the current financial situation and the future financial goals to be achieved.

2.1 Financial habits

Financial habits are the routine behaviors and choices people make while managing their money. These habits can affect financial wellbeing and overall success of any individual. It is very important to build good financial habits by beginning with small savings, putting those savings into investment vehicles for generating returns, reviewing the habits as and when necessary and also seeking professional advice of financial advisors whenever needed.

But these behaviors and choices are influenced by many factors like personal past experiences relating to money, cultural norms and values, social pressure and influences, psychological factors, economic conditions, financial literacy and awareness.

2.2 Investment Behavior

Investment refers to putting the idle money into something with the expectation of earning the return thereby increasing the value of invested money over a period of time.

Investment Behavior refers to all those factors that play an important role in all the decisions that an individual makes relating to investment.

Today, there are plenty of different investment avenues available to put money into like PPF, fixed deposits, equity shares, real estate, gold, mutual funds, post office time deposits, ULIPs, etc. An individual must select the appropriate option considering their own risk appetite, financial goals, investment style & amount available to invest, time horizon.

2.3 Working Women

All Women who are either self-employed or employed in some organized or un-organized sector and who earn money in return for their physical and/or intellectual contribution towards their respective organization.
“Working women refers to women who earn a salary, wages, or other income by whatever name called”

3. Significance of Research

The role of working women contributing in the net savings and investment of the nation is increasing significantly. The research will play a crucial to understand:

1. The saving and spending habits of the working women
2. The extent of their understanding and knowledge they possess about various investment instruments
3. To pinpoint the primary sources of information women rely on while taking investment decisions
4. To recognize the factors that influence their investment choices and decisions
5. To understand the risk appetite and investment preferences of a women
6. To identify the specific challenges faced by working women in managing their finances
7. To identify the gaps in financial literacy and plan tailor made financial programs targeted for working women.
8. To provide insights to government or other institutions to develop policies and plans that can meet the investment needs of women
9. To create a supportive and more inclusive and encouraging environment for women investors.
10. To stimulate the role of working women in investment and entrepreneurship activities of the nation in the times to come.

4. Review of Literature:

Kuldeep Bhalerao, Dr. Deepa Nair, Dr. Rahul More, Dr.D.Y.Patil, Shifa Khan (2022), in their research named "IN A GENDER SPECIFIC STUDY ON AWARENESS AND INVESTMENT PATTERNS IN NAVI MUMBAI", revealed that out of all the factors, gender is one of the important factors that affect the investment pattern. It also shows that there is difference in the financial literacy level on the basis of gender, men being more aware about various financial instruments and tools of investment. This is in line with many previous studies that suggest that there is a considerable difference in the way in which investment is approached by men and women.

Dr.MeenakshiAnand (2018), in their research titled “A STUDY ON INVESTMENT PATTERN OF WORKING WOMEN”, shown that there are various factors like annual income, motive of investment, expected returns for investment and time duration of investment that influence investors. They also concluded that these factors also influence working women’s investment decisions and wealth creation is the biggest motive behind their investment.

Bharath A ,Ms.Vidya.R (2023), in their paper with the title “A STUDY ON INVESTMENT PATTERN OF WORKING WOMEN IN BENGALURU NORTH”, their study highlighted that working women at Bengaluru North region showcase a discipline in their financial decisions through diversified investments, focusing on long-term growth. Their level of literacy on financial matters and awareness are far away from traditional norms, women are also seeking education on investment options and risk management. Risk taking capacity varies with some favouring safe returns and others embracing uncertainty for higher gains, demanding the need for tailor made financial advice for individual financial goals.

Dr. Charu Upadhyay ,Ms. Sangeeta Gupta , Ms. Sakshi Gandhi and Ms.NishaDubey (2021), in their research paper “A STUDY ON FINANCIAL LITERACY ACROSS WORKING CLASS IN MUMBAI” makes an attempt to understand the various aspects involved in defining and measuring the level of literacy on financial matters in the state of Maharashtra. Higher level of financial literacy is essential for financial welfare of the individual and that of the family. It impacts both short term requirements of money to meet day to day requirements as well as long term requirement like buying dream home, financing education of children, and safe and financially secured retirement.

Nadia Asandimitra, Tony Seno Aji, AchmadKautsar (2019), in their study “FINANCIAL BEHAVIOUR OF WORKING WOMEN IN INVESTMENT DECISION-MAKING”, concluded in their study that majority of women have investment plan but poorly executed, also that they are interested in different investments avenuesincluding real estate, they also highlighted that social security serves as a major motivating factor for women to invest.

5. The Problem Statement:

Statement of Problem:"An Analytical Study on Financial habits and Investment behaviour of working women with special reference to Mumbai metropolitan region."

A research problem is a gap or issue that the researcher seeks to address through his study or enhance the existing knowledge in a particular area.

The aim is to ascertain the behaviour of the women with respect to their earned income mainly focusing on understanding their saving and spending behaviour, showcasing the factors that influence their financial habits. The motive is also to understand the preferred investment avenues of the women while establishing the link between their risk tolerance capacities, personal financial goals, time horizon of the investment, past financial experiences and also current financial responsibilities. It also aims to understand the challenges and difficulties faced by women in taking the decisions relating to managing their finances while identifying the gaps in existing financial literacy.

6. Scope of the study:

This research is done to know about the awareness of the working women about financial literacy, spending and investment habits, annual earnings, the knowledge on the different financial investment vehicles where they can invest their money to achieve their objectives. The study will highlight the various factors that affect the investment behaviour of women. The research focuses on the working women in Mumbai Metropolitan Region.

7. Objectives of Research:

The research is intended to understand the knowledge and awareness that working women possess related to managing the funds. Its objectives can be multifaceted:

1. Understanding financial behavior:

- Analysis of frequency of saving and investment
- Understand the distribution of expenses towards different types of needs
- Assess the level of knowledge about different investment options
- Willing ness to take the risk
- Identify their personal short term and long term financial goals

2. Identifying Investment Preferences:

- Identify the most opted investment preferences of a working women
- The factors behind the choices and investment preferences they make
- Understand the allocation and composition of different asset classes in their portfolio.

3. Identifying Challenges and Opportunities:

- By studying the pattern and difficulties faced by women in financial decisions, targeted programs can be planned to improve financial literacy levels in women.
- Tailored financial planning to help them achieve their financial goals can be designed for working women.

8. Limitations of Study:

1. There might be possibility that respondents might be biased while providing information in a personal survey.
2. It aims to do study only on the savings and investment pattern of a working women, hence it can be gender biased.
3. The study limits itself to the Mumbai Metropolitan Region, so it can be area bound.
4. The researcher will use the secondary data also, so the constraints of secondary data will also be applicable to this study as well.

9. Hypothesis of Research

Research Hypothesis: The following hypothesis has been developed to answer the research questions:

Hypothesis 1:

H1: There is a relationship between annual income and the average savings of working women

H0: There is no relationship between annual income and the average savings of working women

Hypothesis 2:

H1: There is a relationship between age and the risk tolerance level of working women

H0: There is no relationship between age and the risk tolerance level of working women

Hypothesis 3:

H1: There is relationship between the level of financial literacy possessed by working women and the investment avenues chosen by them.

H0: There is no relationship between the level of financial literacy possessed by working women and the investment avenues chosen by them.

Hypothesis 4:

H1: There is relationship between demographic factors and investments decisions of working women.

H0: There is no relationship between demographic factors and investments decisions of working women

10.Research Methodology:

Mumbai Metropolitan Region is chosen as the area of research because it has a large population of women in all age groups with diverse demographic factors working in different sectors of business.
Also, this region gives easy access to working women to improve their financial literacy levels; also it has many financial advisors and planners to help them with financial advice.

Type of Research:

Our research will be descriptive in nature. It will aim to describe the characteristics, behaviours towards saving and investment of a specific group. The study would try to understand the financial habits and investment pattern of working women in a Mumbai Region.

Population & Sampling

Sampling Area

This study will be conducted in the Mumbai Metro Politian Region and the population can constitute all working women in this region.

Sampling Method

Convenience random sampling method will be used to know the sub groups within the population and region.

11. Data Collection Methods:

Primary Data:

For the purpose of collecting primary data, which is the main component of this study, the researcher chooses a survey method. A structured questionnaire by keeping the main objective in mind will be prepared to collect the primary data.

The questionnaire will also collect the data about the basic demographics like age, income level, educational level, occupation to establish the correlation between these demographics and the behaviour showcased.

Secondary Data:

Secondary source of data collection will be used for the purpose of review of literature and as a supplement to the primary data. Secondary data can be gathered through research papers, websites, newspapers, periodicals, magazines, research journals, conference papers.

12. Tentative Scheme of Chapters:

The proposed thesis will be organized in the following chapters:

Chapter 1	Introduction – This includes Statement of Problem, Objective of Study, Definitions, Conceptual Framework, Hypothesis, Scope & Limitations of the Study
Chapter 2	Review of Literature – This includes the published and unpublished available literature on the related concepts, it gives the idea of a research gap.

Chapter 3	About Mumbai Metropolitian Region - Area of Study
Chapter 4	Research Methodology – This will include the Research Design, Approach, Tools & Procedures of collecting data, Sampling methods used
Chapter 5	Data Analysis & Interpretation–Includes tabulation, Graphical Presentation of data, Statistical techniques used.
Chapter 6	Findings, Conclusions & Recommendations – Findings of the study with the derived conclusions, also the future prospects of further study.
Chapter 7	References & Bibliography –This will cite the sources used in the research.

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